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NSC

REVIEW STAFF
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MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with HSC Staff Representatives on 2 August 1975

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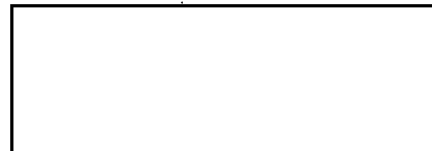
1. [REDACTED] (AG/Comptroller)
and I met with Mr. Edward Roeder and Ms. Emily Sheketoff of the HSC Staff on Saturday, 2 August 1975 from 0925 until 1130. The general subject covered was the CIA Budget (FY 1976 and TQ Congressional Budget Submission, 7 March 1975).
2. The principal areas of inquiry and discussion were:
 - a. The extent to which the CIA Budget process differs from that of other Federal agencies.
 - b. The amount of information available to Congress on the Agency Budget. The Staff representatives alleged that the limited information available to Congress precluded effective review and evaluation of the Agency's Budget request.
 - c. The Contingency Reserve, including the process through which releases are authorized. The Staff representatives expressed concern about what they considered to be a lack of detailed supporting documentation on requests for Reserve releases.
 - d. The rationale and need for maintaining secrecy of the Agency's Budget.
 - e. The extent to which the Agency manages programs funded by other Federal agencies and the degree to which the Agency spends funds not included in its Budget.
 - f. Agency contracting practices, and the ratio of classified to unclassified contracts.

g. The alleged lack of in-depth review and analysis by Congress of the Agency Budget due to limitations imposed by its classification.

h. The single appropriation for the Agency and the implied suggestion of the opportunity this affords for improper reprogramming (i.e., to fund activities not specifically considered during the appropriation process).

i. The absence of documentation recording agreements with the four committees concerned with the Agency on the manner in which Congress deals with our Budget.

3. Mr. Roeder asked that we provide him with current data on the Contingency Reserve (an updated version of the two tables on page 9 of our FY 1976 Congressional Budget) and a description of the CIA Budget process. I said the Director would testify to this process on Wednesday.



Comptroller

✓ cc: Review Staff

AWAITING
CONFIRMATION
IN
WASHINGTON

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